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SR/2-B-62-38

19 January 1962

MEMORANDUM FOR : Chief, SR/2

SUBJECT : Project AEBALCONY Quarterly Progress Report

1. Attached are the results of Project AEBALCONY activity during the period 1 October-31 December 1961. There was no Estonian effort of this nature during the period and only a minimum amount by the Latvian Desk. Lithuanian effort primarily involved the writing of a number of REDSKIN reports authored by [ ] and they are now waiting to be typed. It is expected that the reviews of the "internal cases" will soon be completed and that more realistic planning will shortly begin on 1962 REDSKIN operations under Project AEBALCONY.

2. It is worthy of mention that within the past three months at least one REDSKIN candidate has withdrawn his name from further consideration and another has reported on an anti-REDSKIN ground swell which is taking hold within the American academic community. These developments will be closely watched but it appears that there will be not only a tightening of KUBARK internal operating restrictions but also a certain amount of resistance on the part of potential REDSKIN agents.

[ ]

✓ ACSR/2/Baltic

Attachment:  
AEBALCONY Progress Report

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCE METHODS EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
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74-6-427/3

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## QUARTERLY REPORT FOR PROJECT AEBALCONY - LITHUANIAN DESK

1. Objectives: The objectives of Project AEBALCONY are to conduct mounted and selected piggy-back legal traveler operations into Soviet occupied Lithuania in furtherance of the CIA intelligence mission. The purpose of the legal traveler operations are to conduct subtle "covert action" activities, to collect positive and operational intelligence, to make assessments and re-assessments of potentially vulnerable Balts, to recruit and to support internal assets.

2. Operations and Production: The REDSKIN debriefing reports have been written on the trips of AEBALCONY/1, /8-9, /12-13, and /14, and they are awaiting final typing. In addition to the production reported in the Quarterly Report for 1 July-30 September, Project AEBALCONY produced information on (a) several American Lithuanians who may be Communists and (b) the techniques used by the Soviets to attempt to gain support from American Lithuanians who are Communist sympathizers and who travel to Soviet occupied Lithuania. Some of this information has already been forwarded to the FBI for their information and action and additional material will be transmitted shortly.

### 3. Miscellaneous:

a. A final meeting was held with AEBALCONY/3 who will henceforth be handled by SR/10. During the final meeting AEBALCONY/3 reported that American academicians are seemingly reluctant to become involved operationally with CIA.

b. AEBALCONY/7 continues her very effective anti-Soviet activity by delivering illustrated lectures on her experiences and impressions of Soviet occupied Lithuania. This agent will be encouraged to continue her lectures and will be given CA guidance to make her lectures still more effective.

c. AEBALCONY/8 was instructed on 4 December to attempt to initiate a correspondence with a Soviet Lithuanian mineralogist who appeared to be genuinely sympathetic to the West.

d. AEBALCONY/14 submitted a photograph of his travel group and additional identifying data on several American Lithuanians suspected of being Communist sympathizers.

e. Professor L 1, a 1962 REDSKIN candidate wrote a letter stating that because of personal considerations he was no longer interested in traveling to Soviet occupied Lithuania.

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4. Security: There were no security incidents in Project AEBALCONY during the reporting period.

5. Finances: \$201.26 was expended during the reporting period to bring AEBALCONY/8 and /9 to Washington, D. C. for debriefing purposes.

6. Future Plans: Because of the lack of a specific policy on domestic REDSKIN operations for 1962, no concrete REDSKIN plans have been completed for the coming tourist season. Several candidates, however, have been spotted and contacted; several other candidates have been spotted and cleared.

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QUARTERLY REPORT FOR PROJECT AEBALCONY - LATVIAN DESK

Objectives

1. REDSKIN Travel.

a. No REDSKIN operational or C/O travel per se took place during the period covered by this report.

b. A naturalized Latvian-American citizen living in Florida who was rejected on medical grounds in 1960, on a REDSKIN mission was debriefed on his private trip to Latvia and the USSR in 1961. Subject was evasive and disclaimed any awareness of the most elementary features of Soviet security measures and military installations. There is some ground to suspicion Subject's recruitment by the Israeli services since he visited Israel shortly before entering the USSR and admits carrying at least one "personal" message from Israel to Latvia. The F.B.I. will be advised of this situation when all the facts have been assembled.

c. A naturalized Latvian-American citizen living in Detroit, Michigan was recruited as a REDSKIN spotter and consultant on Latvian matters.

2. Recruitment-in-Place. AEFLAG successfully invited a Soviet Russian churchman now studying in Canada to spend the Christmas holidays in the United States for the purpose of vulnerability assessments leading to a possible later recruitment-in-place by SR/10. SR/10 will take over the operation following a favorable appraisal of the assessment results.

3. Positive Intelligence. AEKILO/2, a PA in the New York area, has submitted disseminable information on "Latvian Underground Installations" near Kuldiga obtained from a recent Soviet Latvian immigrant.

4. Security. An unfortunate Latvian language book, Return to Riga, has been published in Sweden which contains a somewhat fictionalized version of the REDSKIN experiences of [ ] and [ ] dispatched in 1960 by MOG. The individuals will be interrogated as to their actual roles in providing materials to the author whose book could adversely affect AEBALCONY operations.

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